

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

JACK STEPHEN PURSLEY,

Defendant.

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Case 4:18-cr-00575

DEFENDANT’S PROFFER AS TO SCOTT SHUMAN

As ordered by the Court, Defendant Jack Stephen Pursley (“Pursley”) submits and files this affidavit of Scott Shuman (“Shuman”) as a proffer of the (brief) direct testimony that Pursley seeks to elicit from Shuman. Shuman’s testimony goes to the mens rea element of the indicted offenses, demonstrating that Pursley lacked the requisite intent. Shuman’s testimony also corroborates Mooney’s investments in GSMC as real (not fake) investments.

Respectfully submitted,

/s/ Victor D. Vital

Victor D. Vital

State Bar Number 00794798

S.D. Texas Bar Number 25730

Alicia M. Barrs

State Bar Number 24109620

S.D. Texas Bar Number 3438290

BARNES & THORNBURG LLP

2121 N. Pearl Street, Suite 700

Dallas, TX 75201-2469

Telephone: (214) 258-4200

Facsimile: (214) 258-4199

victor.vital@btlaw.com

abarrs@btlaw.com

Nicole Therese LeBoeuf

State Bar Number 00791091

S.D. Texas Bar Number 29595
LEBOEUF LAW PLLC
325 N. St. Paul, Ste. 3400
Dallas, TX 75201
Telephone: (214) 624-9803
Facsimile: (214) 602-4353
nicole@leboeuflaw.com

Seth H. Kretzer
State Bar Number 24043764
LAW OFFICES OF SETH KRETZER
440 Louisiana Street, Suite 1440
Houston, TX 77002
Telephone: (713) 775-3050
Facsimile: (713) 929-2019
seth@kretzerfirm.com

Attorneys for Defendant Jack Stephen Pursley

CERTIFICATE OF SERVICE

I certify that on August 29, 2019, a copy of this document was served on all counsel of record through filing on the ECF System.

/s/ Victor D. Vital
Victor D. Vital

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AFFIDAVIT FROM SCOTT SHUMAN

BEFORE ME, THE UNDERSIGNED AUTHORITY, PERSONALLY APPEARED Scott Shuman, who first being duly sworn or affirmed by me, under penalty of perjury, deposed as follows:

1. I am a real-estate broker who specializes in maximizing the sales price of farms and ranches through an auction process. I am a licensed Real Estate agent and/or Auctioneer in 26 states. I have known Pursley for two decades.
2. During the time at issue, I was employed by Schrader Real Estate & Auction Co., Inc. f/k/ a Schrader Westchester, a company established in 1944, which engages in residential and commercial real estate development, sales and marketing, and specializes in conducting multi-tract online and live auctions (the "Schrader Company"). The Schrader Company regularly enters into joint ventures with other companies.
3. The Schrader Company auctions property by offering it in single tracts, tract combinations, and as a whole property, a method that typically operates to increase the price per acre or tract.

4. In the 2000s, I collaborated with Pursley regarding the purchase of large farms and ranches in Texas and throughout the Southwestern and Western parts of the country. Pursley and I collaborated with the goal of investing in and subdividing large farms and ranches, thereby increasing their value.
5. Pursley and I negotiated a Business Development Agreement in 2005, to be executed by and between Schrader Westchester of Texas, Inc., Schrader Westchester Auction Company (together with Schrader Westchester of Texas, Inc., "S/W"), and Gulf States Management Company ("GSMC," which is Pursley's company referenced in the Government's Indictment).
6. In July 2005, GSMC and S/W executed a Business Development Agreement under which Pursley would submit "Prospects" to S/W for purposes of protecting Pursley's relationships with such Prospects and receiving commissions from S/W for real-estate business conducted with the Prospects. In October 2005 (prior to the alleged indicted Mooney/Pursley scheme), Pursley designated Shaun Mooney ("Mooney"), along with others, as a Prospect under the July 2005 Business Development Agreement.
7. From my interactions with Pursley and Mooney, I had the impression that Mooney and Pursley were working together to purchase real estate, and that Mooney and companies created for this purpose, were among the sources of capital to do so.
8. Pursley and I worked together to find properties that would work well with the auction process, and spent a good deal of time acquiring due diligence material and talking to prospective sellers. Pursley and I explored and discussed the timing of getting into the

real estate markets for the purpose of engaging in the auction and sale of ranch and farm properties, and developed numerous prospect files while waiting for the best time to invest.

9. In 2010, Pursley and Mooney were interested in funding a real-estate company that I started in 2010. But that did not happen because I got funding elsewhere.


AFFIANT'S SIGNATURE

SUBSCRIBED AND SWORN TO
AFFIRMED before me, on the 29th
day of August, 2019
by AFFIANT Scott H. Shuman



